## REMARKS

Claims 1 - 15 are pending and stand rejected. Claims 1-15 have been amended. No new matter has been added.

The examiner has objected to the Abstract. Applicant, through his attorney, wishes to thank the examiner for his observation and has made appropriate correction.

Having may appropriate correction to the Abstract, applicant submits that the reason for the examiner's objection has been overcome and the objection can no longer be sustained. Applicant respectfully requests that the amendment be entered and the objection be withdrawn.

The examiner has objected to the specification as not complying with 37 CFR 1.77(b) in that section headings are not included.

Applicant, through his attorney, wishes to thank the examiner for his observation. However, applicant disagrees with, and explicitly traverses the examiner's reasons for objecting to the specification. Applicant respectfully submits that 37 CFR §1.77(b) discloses a suggested format for the arrangement of the disclosure and that the present disclosure follows the suggested format where applicable. With regard to 37 CFR§1.77(c), which was not cited in the Office Action, Applicant respectfully submits that section headings are suggested but not required, as 37 CFR §1.77(c) clearly states the sections defined in paragraphs (b) (1) through (b) (11) "should" be preceded by a section heading.

Accordingly, applicant elects not to amend the written description at this time and further submits that the written description sufficiently discloses the invention claimed so that one skilled in the art may practice the invention without undue experimentation.

Having shown that the written description is sufficient for one to practice the invention claimed, applicant submits that the reasons for the examiner's objections have been overcome and the rejection can no longer be sustained. Applicant respectfully requests withdrawal of the objection.

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Claims 14 and 15 stand rejected under 35 USC 101 as being directed to non-statutory subject matter.

Applicant respectfully disagrees with, and explicitly traverses, the examiner's reason for rejecting the claims. However, in the interest of advancing the prosecution of this matter, applicant has elected to amend the claims to more clearly state the invention.

Having amended claims 14 and 15, applicant submits that the reason for the examiner's rejection has been overcome and the rejection can no longer be sustained. Applicant respectfully requests that the entry of the amendment, reconsideration, withdrawal of the rejection and allowance of the claims.

Claims 1-3, 6, 7, 14 and 15 stand rejected under 35 USC 102(b) as being anticipated by Monro (WO 98/3770, cited in the IDS filed 19 June 202). It is the examiner's position that Monro discloses each and every element claimed.

Applicant respectfully disagrees with, and explicitly traverses, the examiner's reason for rejecting the claims as the present invention includes subject matter that Monro fails disclose. However, in order to advance the prosecution of this application, applicant has elected to amend the claims to more clearly state the invention. More specifically, applicant has amended the claims, as shown here with regard to claim 1, which is typical of the amendments made to the independent claims 7 and 14, to recite:

> 1. A method of coding (2) a signal (S) comprising blocks of values to obtain a scalable bit-stream (O,BS), the method comprising the steps of:

representing (20) each block as a sequence of bit planes (BP), wherein most significant bits of the values form a most significant bit plane (BP<sub>MSB</sub>) and respective less significant bits of the values form respective less significant bit planes; and

scanning and transmitting (21,23) the values in an order of decreasing bit plane (BP) significance;

wherein for each bit plane the step of scanning and transmitting (21,23) is performed in a rectangular scan zone (R<sub>MAX</sub>, C<sub>MAX</sub>) starting from a corner of the block, wherein

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R<sub>MAX</sub> represents a maximum row number and C<sub>MAX</sub> represents a maximum column number and are determined as the outermost positions of the determination of newly significant coefficients

No new matter has been added. Support for the amendments may be found at least on page 4, lines 21-23.

Monro, on the other hand, discloses a method of image compression that includes significance switching of DCT coefficients in block-based embedded DCT processes. Monro further discloses, as the examiner refers to on page 7, that the DCT bit planes are swept from MSB to LSB and all image blocks are swept. An example of Monro's device is then described in more detail in the accompanying text. In this example, each block in each bit plane is scanned for significant coefficient. However, Monro fails to disclose that the blocks are scanned for a maximum row number and a maximum column number as is recited in the claims.

It is well recognized that to constitute a rejection pursuant to 35 USC 102, i.e., anticipation, all material elements recited in a claim must be found in one unit of prior art. For the reason shown above, Monro cannot be said to anticipate the present invention, because Monro fails to disclose each and every element recited therein.

Having shown that Monro fails to disclose each and every element recited in the claim, applicant submits that the reason for the examiner's rejection of the claim has been overcome and the rejection can no longer be sustained. Applicant respectfully requests entry of the amendment, reconsideration, withdrawal of the rejection and allowance of the claim.

With regard to claims 7 and 14, these claims recite devices similar to that recited in claim 1. The examiner rejected these claims for the same reason used in rejecting claim 1. Thus, the applicant's remarks made in response to the examiner's rejection of claim 1 are also applicable in response to the examiner's rejection of claims 7 and 14. In view of the amendments made to claims 7 and 14, which are similar to those made with regard to claim 1, and for the remarks made with regard to the rejection of claim 1, which are repeated herein in response to the rejection of the above referred to claims, applicant submits that the examiner's reason for rejecting these claims has been

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overcome and the rejection can no longer be sustained. Applicant respectfully requests entry of the amendment, reconsideration, withdrawal of the rejection and allowance of the claims.

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With regard to claims 2, 3, 6 and 15, these claims ultimately depend from claims 1 and 14, respectively which has been shown to include subject matter not disclosed in, and, hence, allowable, over the cited reference. Accordingly, claims 2, 3, 6 and 15 are also allowable by virtue of their dependence from allowable base claims. Applicant respectfully request reconsideration, withdrawal of the rejection and allowance of the claim.

Claims 4 and 5 stand rejected under 35 USC 103(a) as being unpatentable over Monro in combination with Yamamitsu. Claim 8 stands rejected under 35 USC 103(a) as being unpatentable over Monro in combination with Jiankun Li. Claim 9 stands rejected under 35 USC 103(a) as being unpatentable over Monro in combination with Kleihorst. Claim 10 stands rejected under 35 USC 103(a) as being unpatentable over Monro and Jiankun in combination with Fujikawa. Claim 10 stands rejected under 35 USC 103(a) as being unpatentable over Monro and Kleihorst in combination with Fujikawa. Claims 11 and 12 stand rejected under 35 USC 103(a) as being unpatentable over Monro as applied to claims 1 and 7. Claim 13 stands rejected under 35 USC 103(a) as being unpatentable over Monro and Jiankun Li as applied to claim 8.

Applicant respectfully disagrees with and explicitly traverses the examiner's reason for rejecting the claims. A claimed invention is prima facie obvious when three basic criteria are met. First, there must be some suggestion or motivation, either in the reference themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine the teachings therein. Second, there must be a reasonable expectation of success. And, third, the prior art reference or combined references must teach or suggest all the claim limitations.

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With regard to claim 4, this claim recites, in part:

- 4. A method as claimed in claim 1,
- transmitting (21,23) an indication whether or not any insignificant values
   become newly significant in the current bit plane; and
- .... a sign bit for each newly significant value (NSC).

As noted above Monro discloses a method of image compression that scans each element in a plurality of bit planes and fails to teach a region within each bit plane that includes significant and newly significant information.

Yamanitsu, as read by applicant, discloses a system that transmits quantized non-zero DCT values within a region and defines the region by a point. However, Yamanitsu fails to disclose bitplanes and further fails to teach dynamically determining the scanned region. Rather Yamanitsu merely defines the region as being an area including non-zero DCT coefficients, without regard to whether the DCT coefficients are considered newly significant.

Accordingly, neither Monro nor Yamanitsu, individually or in combination, teach or suggest all the elements recited in the above referred-to claim 4.

Having shown that the combination of Monro and Yamanitsu fails to teach or suggest all the elements recited in claim 4, applicant submits that the reason for the examiner's rejection has been overcome and the rejection can no longer be sustained. Applicant respectfully requests entry of the amendments, reconsideration, withdrawal of the rejection and allowance of the claims.

With regard to claim 5, this claim depends from claim 4, which has been shown to not be obvious in view of the cited references. Accordingly, claim 5 is also believed allowable based on its dependence from an allowable claim. Applicant respectfully request reconsideration, withdrawal of the rejection and allowance of the claim.

With regard to claims 8 and 9, these claims depend from claim 7, which has been shown to contain subject matter not disclosed in the cited reference. After a review

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of the Jiankun Li and Kleihorst references, applicant submits that with regard to claims 8 and 9, the combination of the primary reference and each of the cited references would not include all the elements claimed. Applicant respectfully request reconsideration, withdrawal of the rejection and allowance of the claim.

With regard to claims 10 and 12, these claims recite systems that utilize the device in claim 1. The examiner rejected these claims reciting the same primary reference used in rejecting claim 1. After review of the reference cited, applicant submits that with regard to claims 10 and 12, the combination of the primary reference and each of the cited references would not include all the elements claimed.

Applicant respectfully requests entry of the amendment, reconsideration, withdrawal of the rejection and allowance of the claims.

With regard to claims 11 and 13, these claims depend from claims 10 and 12, which has been shown to not be obvious in view of the cited references.

Accordingly, claims 10 and 12 is also believed allowable based on their dependence from allowable base claims.

For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

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Should any unresolved issues remain that the examiner believes may be resolved via a telephone call, the examiner is invited to call applicant's attorney at the telephone number below.

No fees are believed necessary for the filing of this Amendment and

Response.

Respectfully submitted,

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